

# **Exhibit F**

## **Texan Dogs LLC Business Plan**

### **Executive Summary:**

Given current conditions in India, ARK Logistics has decided to venture into another industry abroad in order to maintain growth. ARK Logistics and ZAAS Investments LLC have entered into agreement to develop and operate Weinerschnitzel franchises in the Houston area under the US entity, Texan Dogs LLC. The first location has been identified for Bay City, TX. We are under negotiations with the landlord for a build-to-suite at 2320 7<sup>th</sup> Street, Bay City, TX 77414. The first location will have between 12-15 total full-time employees. The second location is currently being explored and will be determined based on performance of the first location. The team consists of Faiz Makani as CEO, Zaheed Umatiya as CFO, Ajaz Punjani as COO, and Shelina Jamani as General Manager.

### **Our Team:**

Our team consists of four partners who bring various attributes needed to succeed in the industry:

Faiz Makani/ARK Logistics USA – Faiz Makani will act as CEO. He has in depth knowledge of distribution and human resource. He has experience overseeing a team of 10 to 15 employees. His degree from University of Mumbai in Business Commerce with a strong understanding of management and HR. In addition, he has experience in the restaurant industry. In order to help prepare him for ARK's expansion to the USA, Faiz interned as an assistant to the head manager for Monis Restaurant that had a capacity of 250 – 350 guests. He developed a strong understanding for the business from the ground up. ARK hopes to expand its portfolio by diversifying in USA by investing in Wiener Schnitzel.

Zaheed Umatiya – Zaheed Umatiya will act as CFO. His responsibilities will be to manage the finances of the business to ensure all books are kept accurate. Zaheed has a background in finance from Vanderbilt University and hold an MBA from University of Houston's Bauer College for Business. Zaheed has been in multiple franchises in the hospitality and food industry and his insight will be great for future growth. Furthermore, he has gained experience with Wiener Schnitzel as a franchisee with another group and is looking to expand his portfolio.

Ajaz Punjani – Ajaz Punjani will act as COO and help with operations at the Bay City location. He holds a degree from Osmania University and has been in various business ventures over his 20 years. He is currently a franchisee with Wiener Schnitzel, TCBY, and Little Caesars Pizza. His primary job duties will be to handle all construction matters and help launch the restaurant during the grand opening.

Shelina Jamani – Shelina Jamani will act as GM and lead the operations at the Bay City location until our second location is ready. Shelina has experience with several businesses over her

career and possess the managerial skills need to lead a group of leaders. She will lead the training department and help secure quality candidates to operate the restaurants.

**Why Weinerschnitzel:**

Weinerschnitzel is the largest hot dog franchise in America with over 300 locations nationwide. We feel our target of industrial rural areas fits the target demographic and provides a niche fast food option that is unique with an established reputation. Furthermore, the operations of the restaurant are attractive given the simplicity of the recipes. Weinerschnitzel only provides three core products, hot dogs, fries, and sandwiches. All other offerings are variations from the core, which make it easy to provide consistent customer experience. From the financial perspective, the food cost for Weinerschnitzel is much lower than a typical pizza or hamburger establishment. This provides us more room to pay higher wages as food cost is minimal.

**Strategy/Growth Plan:**

Our plan is organically grow multiple locations within 5 years. The first location has been identified for Bay City, TX. The second location is currently on hold till the Bay City location starts construction and operations have settled down. Given our past experiences with new QSR concepts, the store will take approximately 6-8 months to settle down after the grand opening.

ARK Logistics USA will be the largest shareholder followed by ZAAS Investments, LLC. ARK Logistics USA is 100% owned a foreign based company, ARK Logistics India. The company has sent, Faiz Makani, to lead operations in their new venture in the United States. ZAAS Investments is the remaining shareholder for Texan Dogs, LLC. ZAAS investments, LLC is a Texas based company owned equally by Zaheed Umatiya and Ajaz Punjani.

<b><u>Ownership Structure for Texan Dogs LLC</u></b>	
ARK Logistics USA	51.00%
ZAAS Investments	49.00%
	100.00%

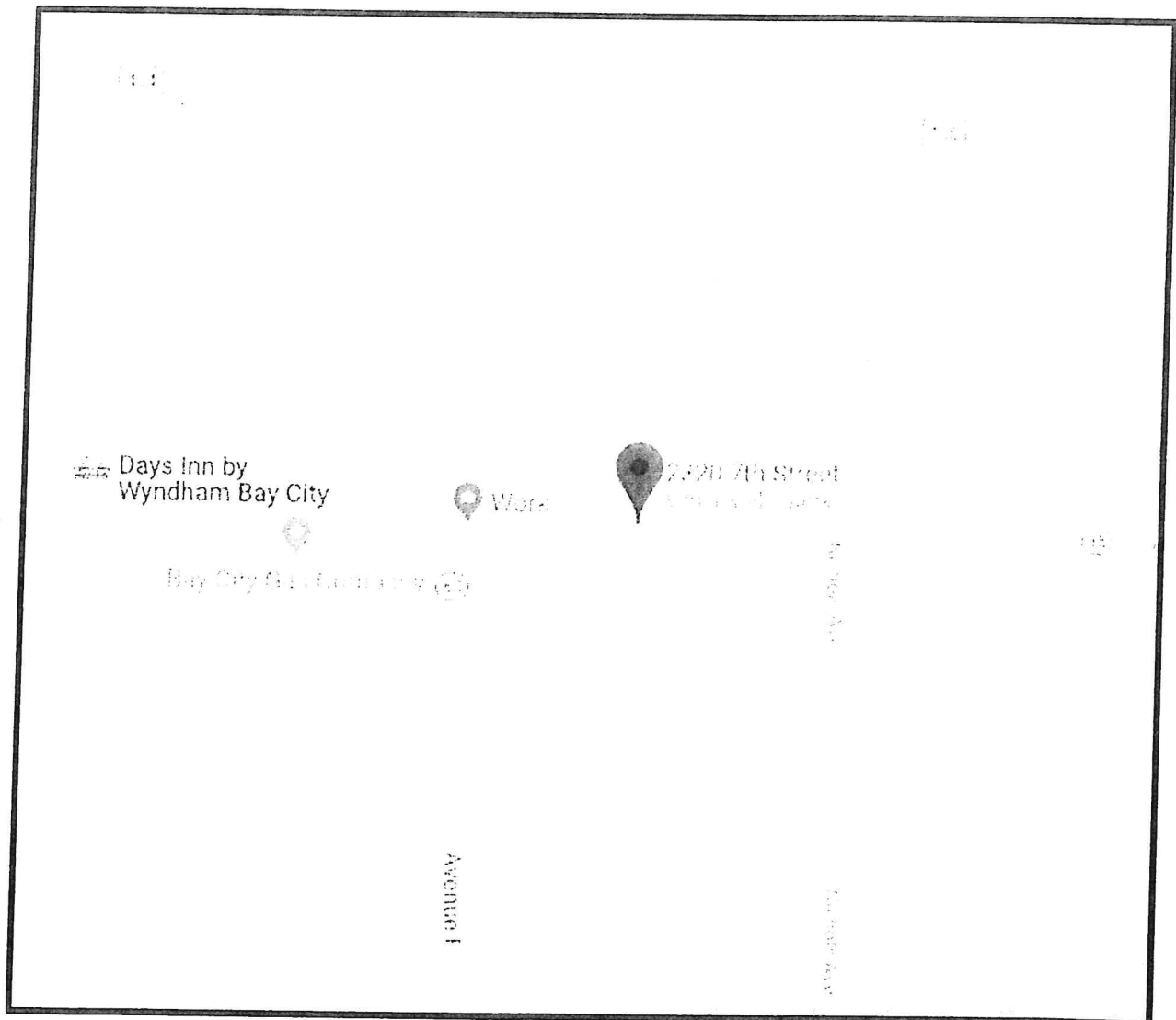
### Site 1 Analysis: Bay City, TX

#### **Franchise Details:**

We are currently under final negotiations with Galardi Group to secure one franchise site for Bay City, TX. The franchise agreement will be a 10 year agreement. As soon as a franchise agreement is signed a copy will be provided to all parties that need to review.

#### **Location:**

The city is located in Matagorda county. The town economy is dependent on three major industries, oil/gas, farming, and marine. The population of Bay City, TX is 48.7% Hispanic or Latino, 33.8% White Alone, and 15.3% Black or African American Alone. 17% of the people in Bay City, TX speak a non-English language, and 91.3% are U.S. citizens. The median property value in Bay City, TX is \$91,800, and the homeownership rate is 49%.





### Market Analysis:

Below is chart that summarizes annual gross volumes for other restaurants located within Bay City, TX. As the chart shows, our goal is achieve annual volumes in comparison to KFC and Little Casesars.

QSR Performance	
	Annual Sales
Jack-In-the-Box	\$ 1,116,000.00
KFC	\$ 759,000.00
Little Caesars	\$ 734,000.00
McDonalds	\$ 2,508,000.00
Sonics	\$ 1,777,000.00
Pizza Hut	\$ 2,703,000.00
Whataburger	\$ 3,427,000.00

### Project Details:

Below is a chart summarizing the capital injection requirements. We will need Capital Fund #1 by 2/1/2020 in order to order or feasibility studies, secure the lease, and have some excess working capital for development needs. The second Capital Fund will be needed once the equipment loan has been finalized and the down payment on the equipment loan is needed.

### **Equipment Loan Details**

Total Equipment Cost	\$	275,000.00
Downpayment	\$	55,000.00
Total Loan	\$	220,000.00
Term		60
Amortization		60
Rate		7%
Monthly Payment	\$	4,356.26
Annual Payment	\$	52,275.16

### **Cost Estimate**

Equipment Down Payment	\$	55,000.00
Security Deposit	\$	2,750.00
First Month Rent	\$	2,750.00
Due Diligence Budget	\$	3,500.00
Working Capital	\$	20,000.00
Initial Inventory Order	\$	20,000.00
Total Funds Needed	\$	104,000.00

### **Capital Injection Schedule**

#### *Capital Fund #1*

ZAAS Investments	\$	20,000.00
ARK Logistics USA	\$	20,000.00
Total Fund #1	\$	40,000.00
Estimated Due Date		2/1/20

#### *Capital Fund #2*

ZAAS Investments	\$	31,000.00
ARK Logistics USA	\$	33,000.00
Total Fund #3	\$	64,000.00
Estimated Due Date		6/1/20

Total Capital Injection	\$	104,000.00
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**Lease Details:**

We are working with Big Shot World, Inc. on leasing the building located at 2320 7<sup>th</sup> Street, Bay City, TX 77414. The space is 2,000 square feet and the landlord has agreed to build the space with Weinerschnitzel standards. The lease will be for \$2750+NNN per month with a gradual increase in rent after year 5. This is an attractive option as built out cost has been limited for the first project without the large rental rate.

**Cash Flow Projections for Bay City Site:**

<b>Weinerschnitzel @ Bay City, TX</b>					
	Year 1	Year 2	Year 3	Year 4	Year 5
Gross Sales	\$ 780,000.00	\$ 803,400.00	\$ 827,502.00	\$ 852,327.06	\$ 877,896.87
<u>COGS</u>	<u>\$ 202,800.00</u>	<u>\$ 208,884.00</u>	<u>\$ 215,150.52</u>	<u>\$ 221,605.04</u>	<u>\$ 228,253.19</u>
Net Sales	\$ 577,200.00	\$ 594,516.00	\$ 612,351.48	\$ 630,722.02	\$ 649,643.69
<b>Labor Expense</b>					
Labor Expense	\$ 171,600.00	\$ 176,748.00	\$ 182,050.44	\$ 187,511.95	\$ 193,137.31
Management Expense	\$ 36,000.00	\$ 37,080.00	\$ 38,192.40	\$ 39,338.17	\$ 40,518.32
<u>Bonuses/Incentives</u>	<u>\$ 12,000.00</u>	<u>\$ 12,000.00</u>	<u>\$ 12,000.00</u>	<u>\$ 12,000.00</u>	<u>\$ 12,000.00</u>
Total Labor	\$ 219,600.00	\$ 225,828.00	\$ 232,242.84	\$ 238,850.13	\$ 245,655.63
<b>Operating Expense</b>					
Franchise Fee	\$ 70,200.00	\$ 72,306.00	\$ 74,475.18	\$ 76,709.44	\$ 79,010.72
Utilities	\$ 39,000.00	\$ 40,170.00	\$ 41,375.10	\$ 42,616.35	\$ 43,894.84
Insurance	\$ 6,000.00	\$ 6,180.00	\$ 6,365.40	\$ 6,556.36	\$ 6,753.05
<u>General</u>	<u>\$ 31,200.00</u>	<u>\$ 32,136.00</u>	<u>\$ 33,100.08</u>	<u>\$ 34,093.08</u>	<u>\$ 35,115.87</u>
Total Operating	\$ 146,400.00	\$ 150,792.00	\$ 155,315.76	\$ 159,975.23	\$ 164,774.49
Total Operating Exp	\$ 366,000.00	\$ 376,620.00	\$ 387,558.60	\$ 398,825.36	\$ 410,430.12
NOI	\$ 211,200.00	\$ 217,896.00	\$ 224,792.88	\$ 231,896.67	\$ 239,213.57
EQUIPMENT LOAN	\$ 52,275.16	\$ 52,275.16	\$ 52,275.16	\$ 52,275.16	\$ 52,275.16
RENT	\$ 33,000.00	\$ 33,000.00	\$ 36,300.00	\$ 36,300.00	\$ 39,930.00
<u>CAM</u>	<u>\$ 15,000.00</u>	<u>\$ 15,450.00</u>	<u>\$ 15,913.50</u>	<u>\$ 16,390.91</u>	<u>\$ 16,882.63</u>
Total Non-Operating Expense	\$ 100,275.16	\$ 100,725.16	\$ 104,488.66	\$ 104,966.07	\$ 109,087.80
NCF	\$ 110,924.84	\$ 117,170.84	\$ 120,304.22	\$ 126,930.60	\$ 130,125.77

# Texan Dogs LLC Organization Chart

Year 1

